

How to Become an FHA-Approved Lender

Last updated September 3, 2002

SPECIFIC FHA Lender Approval Requirements

Loan Correspondent (Mini-Eagle)

- HUD Form 92001-D & 11701/92001
- Copy of State License
- Pictures of facilities, floor plan, certification that facilities comply with FHA requirements. Photos must be of the inside and outside of facility. Photos must display the company name on door, directory or an outside sign.
- Certified (Original) Audited financial statement with a computation of adjusted net worth (must be at least \$63,000. 20% of assets must be liquid) Financials cannot be over 1 year old.
- Original Residential Mortgage Credit Reports on Applicant and all senior officers and anybody that owns 25% or more of Applicant. Reports must state that Public records were checked. (no xerox or faxed copies)
- Resume of Senior Corporate Official designated to handle FHA affairs. (must show at least 3 years of experience in loan origination.)
- Letter regarding line of credit/funding (on letterhead)
- Quality Control Plan (must be on Co. letterhead)
- Sanctions Letter (Certification that lender has not been sanctioned. Must be on Co. letterhead)
- \$1,000.00 Fee (non-refundable)

Non-Supervised Lender (Eagle)

- HUD Form 92001-D and 11701/92001
- Copy of State License
- Pictures of facilities, floor plan, certification that facilities comply with FHA requirements. Photos must be of the inside and outside of facility. Photos must display the company name on door, directory or an outside sign.
- Certified (Original) Audited financial statement with a computation of adjusted net worth (must be at least \$250,000. 20% of which is liquid) Financials cannot be over 1 year old.
- Resume of Senior Corporate Official designated to handle FHA affairs. (must show at least 3 years of experience in loan origination.)
- Original Residential Mortgage Credit Reports on Applicant and all senior officers and anybody that owns 25% or more of Applicant. Reports must state that Public records were checked. (no xerox or faxed copies)

Non-Supervised Lender (Eagle) (cont.)

- Letter regarding line of credit/funding (on letterhead)
- Quality Control Plan (must be on Co. letterhead)
- Sanctions Letter (Certification that lender has not been

sanctioned. Must be on Co. letterhead)

- Certificates of Insurance-Fidelity Bond and Errors and Omissions Coverage for at least \$300,000 each
- \$1,000.00 Fee (non-refundable)

Supervised Lender (Eagle)

- HUD Form 92001-D or 11701/92001
- Quality Control Plan or Certification
- Certificates of Insurance-Fidelity Bond and Errors and Omissions Coverage (\$300,000 each)
- \$1,000.00 Fee (non-refundable)

Supervised Loan Correspondent

- HUD Form 92001-D or 11701/92001
- Quality Control Plan or Certification
- Letter regarding line of credit/funding (on letterhead)
- \$1,000.00 Fee (non-refundable)

Investing Lender

- HUD Form 92001-D or 11701/92001
- Quality Control Plan or Certification
- Certificates of Insurance-Fidelity Bond and Errors and Omissions Coverage (\$300,000 each)
- Evidence of funding capability
- \$1,000.00 Fee (non-refundable)

All Applicants that have a dba name must submit with the application a copy of its Fictitious Business name Statement or Assumed Name Statement to show the State has approved the use of the dba. If the Applicant is a Limited Liability Corp. (LLC) it must provide a copy of operating agreement. If the Applicant is a Partnership it must provide a copy of a partnership agreement.

Applications for approval should be submitted to:

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U.S. Department of HUD
Lender Approval & Recertification
Division
451 7th Street, SW, Room B133-P3214
Washington, DC 20410

THE LENDER APPROVAL DIVISION CAN
BE CONTACTED BY ELECTRONIC MAIL:

“hsg-lender_approval@hud.gov”

TELEPHONE:

(202) 708-3976

VISIT THE HUD WEB SITE AT:

WWW.HUD.GOV

GENERAL FHA LENDER APPROVAL REQUIREMENTS

Business Form

- A corporation or
- A partnership or
- Other chartered financial institution
- Sole proprietorships are **not** permitted

Staff

- At least two or more full time employees
- A shared receptionist is permitted but cannot be used to meet this requirement
- All employees (except a shared receptionist) must be employed **exclusively** by the applicant

Office Facilities

- Must be separate and apart from any other entity
- Must be in a location conducive to mortgage lending
- Must be clearly identified to the public

Quality Control Plan

- All applicants must have a written quality control plan that meets the requirements of Chapter 6 of the Mortgagee Approval Handbook 4060.1 Rev 1